

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 7092

BILL NUMBER: HB 1236

NOTE PREPARED: Jan 5, 2006

BILL AMENDED:

SUBJECT: Capitol Police Salary Matrix.

FIRST AUTHOR: Rep. Ruppel

BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL
X DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: This bill provides that special police officers who provide security and preserve the peace in and around the State Capitol Building, the State Office Building, and certain other state facilities are Capitol Police. It requires the State Police Board to adopt a salary matrix for Capitol Police with the same percentage salary differentials between the ranks as the salary matrix for police employees. The bill provides that the matrix must be used after June 30, 2006.

Effective Date: Upon passage.

Explanation of State Expenditures: Approximately, 40 Capitol Police officers are assigned to security at the State Office Building Complex and the Capitol. Assuming that these employees began in January and applying their original year of hire, the increase in salaries that would be needed to place them on the State Police salary matrix would equal an estimated \$509,791 for FY 2007 and \$519,987 for FY 2008. Adding benefits, the total increase in expenditures for the first year would equal \$601,096 and \$613,118 for the second.

Additionally, any increase in salary would also increase pension benefits for which the officers would be eligible. When the officers would opt to retire is indeterminable. State police pensions are paid from the state General Fund, the Motor Vehicle Highway Account, and the Motor Carrier Regulation Fund.

Ultimately, the source of funds and resources required to satisfy the requirements of this bill will depend on legislative and administrative actions.

Explanation of State Revenues: The state will experience a minimal increase in the state income tax

collections of approximately \$17,333 ($0.034 * \$509,791$) for the first year and \$17,679 ($0.034 * \$519,987$) for the second. Individual Adjusted Gross Income Tax revenue is deposited in the General Fund and the Property Tax Replacement Fund.

Explanation of Local Expenditures:

Explanation of Local Revenues: Local units will experience a minimal increase in the local option income tax collections.

State Agencies Affected: State Police.

Local Agencies Affected: Units within a county that has adopted local option income taxes.

Information Sources: State Police; 2005 State Police Salary Matrix and the 2005 State Personnel Staffing Report.

Fiscal Analyst: Bernadette Bartlett, 317-232-9586.